



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-121]

Difluoromethane from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission, and Preliminary Intent to Rescind, in Part, of Antidumping Duty Administrative Review; 2020-2022

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that the sole mandatory respondent under review made sales of difluoromethane (R-32) from the People's Republic of China (China) below normal value (NV) during the period of review (POR). Additionally, we are rescinding this review with respect to Huantai Dongyue International Trade Co., Ltd. (Huantai Dongyue) and preliminarily rescinding this review with respect to Zhejiang Sanmei Chemical Ind. Co., Ltd. (Zhejiang Sanmei). Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Paul Gill, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5673.

### SUPPLEMENTARY INFORMATION:

#### Background

On May 13, 2022, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the antidumping duty order on R-32

from China.<sup>1</sup> The POR is August 27, 2020, through February 28, 2022. On November 2, 2022, we extended the preliminary results of this review to no later than March 31, 2023.<sup>2</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>3</sup>

### Scope of the Order

The merchandise covered by the *Order* is difluoromethane (R-32), or its chemical equivalent, regardless of form, type, or purity level.<sup>4</sup> R-32 is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2903.39.2035. Other merchandise subject to the scope may be classified under 2903.39.2045 and 3824.78.0020. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

### Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Secretary will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On July 20, 2022, Huantai Dongyue timely withdrew its request for an administrative review.<sup>5</sup> Because no other party requested a review of Huantai Dongyue, we are rescinding the administrative review for this company in accordance with 19 CFR 351.213(d)(1).

### Preliminary Intent to Rescind, in Part

It is Commerce's practice to rescind an administrative review pursuant to 19 CFR 351.213(d)(3) when there are no reviewable entries of subject merchandise during the POR

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<sup>1</sup> *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 29280 (May 13, 2022); *see also Difluoromethane (R-32) from the People's Republic of China: Antidumping Duty Order*, 86 FR 13886 (March 11, 2021) (*Order*).

<sup>2</sup> *See* Memorandum, "Difluoromethane (R-32) from the People's Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review, 2020-2022," dated November 2, 2022.

<sup>3</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Difluoromethane (R-32) from the People's Republic of China; 2020-2022," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>4</sup> For a complete description of the scope of the order, *see* Preliminary Decision Memorandum

<sup>5</sup> *See* Huantai Dongyue's Letter, "Withdrawal of Request for Administrative Review" dated July 20, 2022.

subject to the antidumping duty order and for which liquidation is suspended.<sup>6</sup> At the end of an administrative review, suspended entries are liquidated at the assessment rate computed for the review period.<sup>7</sup> Therefore, for an administrative review to be conducted, there must be a reviewable, suspended entry to be liquidated at the newly calculated assessment rate.

While Zhejiang Sanmei requested an administrative review of itself,<sup>8</sup> the U.S. Customs and Border Protection Data (CBP) data on the record of this review show no evidence that Zhejiang Sanmei had suspended entries of subject merchandise during the POR,<sup>9</sup> and we received confirmation of this from CBP.<sup>10</sup> As the record contains no evidence of reviewable entries for Zhejiang Sanmei, we are preliminarily rescinding the review with respect to Zhejiang Sanmei in accordance with 19 CFR 351.213(d)(3).<sup>11</sup>

#### Preliminary Affiliation and Single Entity Determination

Based on record evidence in this review, Commerce preliminarily finds that the following companies are affiliated, pursuant to section 771(33)(F) of the Tariff Act of 1930, as amended (the Act): Taizhou Qingsong Refrigerant New Material Co., Ltd. (Taizhou Qingsong), Taixing Meilan New Materials Co., Ltd. (Taixing Meilan), and Jiangsu Meilan Chemical Co., Ltd. Furthermore, pursuant to 19 CFR 351.401(f)(1)-(2), we find that Taizhou Qingsong and Taixing Meilan should be treated as a single entity (collectively, Qingsong). For additional information, *see* the Affiliation and Collapsing Memorandum.<sup>12</sup>

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<sup>6</sup> *See, e.g., Solid Fertilizer Grade Ammonium Nitrate from the Russian Federation: Notice of Rescission of Antidumping Duty Administrative Review*, 77 FR 65532 (October 29, 2012); *see also Forged Steel Fittings from Taiwan: Preliminary Intent To Rescind the Antidumping Duty Administrative Review; 2018–2019*, 85 FR 44503 (July 23, 2020), unchanged in *Forged Steel Fittings from Taiwan: Rescission of Antidumping Duty Administrative Review; 2018–2019*, 85 FR 71317 (November 9, 2020).

<sup>7</sup> *See* 19 CFR 351.212(b)(1).

<sup>8</sup> *See* Zhejiang Sanmei’s Letter, “Request for Administrative Review,” dated March 31, 2022.

<sup>9</sup> *See* Memorandum, “Release of Customs Entry Data from U.S. Customs and Border Protection (CBP),” dated May 16, 2022.

<sup>10</sup> *See* Memorandum, “No Shipment Inquiry with Respect to {Zhejiang Sanmei} During the Period 08/27/2020 Through 02/28/2022,” dated March 20, 2023.

<sup>11</sup> For additional information regarding this preliminary intent to rescind, *see* the Preliminary Decision Memorandum.

<sup>12</sup> *See* Memorandum, “Affiliation and Single Entity Status – Taizhou Qingsong Refrigerant New Materials Co., Ltd. and Taixing Meilan New Materials Co., Ltd.,” dated concurrently with this memorandum (Affiliation and Collapsing Memorandum).

## Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. Export price is calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

## Preliminary Results of the Review

We preliminarily determine that the following weighted-average dumping margin exists for the period August 27, 2020, through February 28, 2022:

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
Taizhou Qingsong Refrigerant New Material Co., Ltd.; Taixing Meilan New Materials Co., Ltd.	160.65

## Assessment Rates

Upon issuing the final results, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.<sup>13</sup>

Pursuant to 19 CFR 351.212(b)(1), Commerce calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of

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<sup>13</sup> See 19 CFR 351.106(c)(2).

19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.<sup>14</sup>

Pursuant to Commerce's assessment practice,<sup>15</sup> for entries that were not reported in the U.S. sales data submitted by Qingsong, we will instruct CBP to liquidate such entries at the China-wide rate. For Zhejiang Sanmei, if Commerce rescinds the review for this company in the final results, then antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, during the POR, in accordance with 19 CFR 351.212(c)(1)(i).

Finally, for Huantai Dongyue, the respondent for which we are rescinding the review, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, during the POR, in accordance with 19 CFR 351.212(c)(1)(i).

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the review and for future deposits of estimated antidumping duties, where applicable.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of administrative review for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on, or after, the publication date of the final results of

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<sup>14</sup> *Id.*

<sup>15</sup> See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

review, as provided for by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Qingsong will be equal to the weighted-average dumping margin established in the final results of this review (except, if the dumping margin is zero or *de minimis*, then the cash deposit rate will be zero); (2) for a previously investigated or reviewed exporter of subject merchandise not listed in the final results of review that has a separate rate, the cash deposit rate will continue to be the exporter's existing cash deposit rate; (3) for all Chinese exporters of subject merchandise that do not have a separate rate, the cash deposit rate will be the cash deposit rate established for the China-wide entity, 221.06 percent;<sup>16</sup> and (4) for all exporters of subject merchandise that are not located in China and that are not eligible for a separate rate, the cash deposit rate will be the rate applicable to the China exporter(s) that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

#### Disclosure

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>17</sup>

#### Public Comment

Interested parties may submit case briefs to Commerce no later than seven days after the date of the verification report issued in this administrative review.<sup>18</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.<sup>19</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief

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<sup>16</sup> See *Common Alloy Aluminum Sheet from the People's Republic of China: Antidumping Duty Order*, 84 FR 2813 (February 8, 2019).

<sup>17</sup> See 19 CFR 351.224(b).

<sup>18</sup> See 19 CFR 351.309(c).

<sup>19</sup> Commerce is exercising its discretion, under 19 CFR 351.309(d)(1), to alter the time limit for filing of rebuttal briefs.

summary of the argument; and (3) a table of authorities.<sup>20</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>21</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the date of publication of this notice.<sup>22</sup>

Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing.<sup>23</sup>

#### Verification

As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon for its final results.

#### Final Results

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.<sup>24</sup>

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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<sup>20</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>21</sup> See 19 CFR 351.303.

<sup>22</sup> See 19 CFR 351.310(c).

<sup>23</sup> See 19 CFR 351.310(d).

<sup>24</sup> See section 751(a)(3)(A) of the Act.

Notification to Interested Parties

We are issuing and publishing these preliminary results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213, and 19 CFR 351.221(b)(4).

Dated: March 30, 2023.

Abdelali Elouaradia,  
Deputy Assistant Secretary  
for Enforcement and Compliance.



## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Preliminary Intent to Rescind, In Part
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

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